

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2005-389-C - ORDER NO. 2006-90
FEBRUARY 9, 2006

IN RE: Joint Application of Sprint Communications) ORDER APPROVING
 Company L.P. and Trinsic Communications,) JOINT APPLICATION
 Inc. for Transfer of Customer Base)

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Joint Application of Sprint Communications Company L.P. (Sprint) and Trinsic Communications, Inc. (Trinsic) (together, the Joint Applicants) for authority to transfer Sprint's competitive local exchange customers served via the unbundled network element platform (UNE-P) to Trinsic. Sprint and Trinsic also request, to the extent required, that the Commission waive any applicable anti-slamming regulations. The Joint Applicants further request that the Commission conduct an expedited review of the Application and grant the relief requested on an expedited basis. Pursuant to the agreement, Sprint will transfer its Sprint Complete Sense and Sprint Complete Sense for Business local customers to Trinsic and will cease its UNE-P operations nationwide. The number of South Carolina residential and business customers affected by the transaction is approximately 1,350. According to the Joint Application, Sprint and Trinsic will file with the Commission the necessary tariff revisions to implement the transfer. The transfer will be transparent to the affected customers and will not alter the manner or quality of

service of Sprint's current Complete Sense local customers, according to the Joint Application.

Pursuant to the instructions of the Commission's Docketing Department, the Joint Applicants were instructed to publish a Notice of Filing in newspapers of general circulation in their service areas. The Joint Applicants filed affidavits to show that they complied with the instructions of the Docketing Department. No Protests or Petitions to Intervene were received.

As previously stated, the Joint Applicants requested expedited review of the Joint Application. Written verified testimony was also submitted to support the request. The Office of Regulatory Staff (ORS) had no objection to our granting the expedited review. Since there were no Protests or Petitions to Intervene, we grant expedited review and will rule based on the written verified testimony furnished in this Docket.

The written verified testimony of Lilli Taylor, a Regulatory Policy Manager for Sprint Nextel Corporation, stated that the Joint Applicants seek approval of a proposed transfer of certain customer base assets held by Sprint to Trinsic pursuant to an Asset Purchase Agreement the companies entered into during the fourth quarter, 2005. The assets relate to Sprint's provision of resold residential local exchange service offered through the unbundled network elements platform (UNE-P) in South Carolina. Ms. Taylor notes that Sprint's UNE-P offering provides voice products to residential and small sized business customers in 37 states in the United States, including South Carolina. Upon consummation of this transaction contemplated in the parties' Transition Agreement, Trinsic will serve Sprint's UNE-P residential and small business customer

base. Sprint will retain its authority to provide telecommunications services in South Carolina in order to continue to offer telecommunications services.

The witness asserted that Commission approval of the proposed transaction will serve the public interest. There will be no change to the rates, terms or conditions of service to the residential and small business customers as a result of the transaction. Moreover, Ms. Taylor noted that consummation of the proposed transaction will serve the public interest in promoting competition in the intrastate/interexchange and local telecommunications market by providing Trinsic the opportunity to strengthen its competitive position through combining Sprint's residential and small business customer base with Trinsic's current services, products, and expertise. The proposed transaction will also free Sprint's resources to focus on its core long distance wireline and wireless services customers and invigorate its services to these customers. Moreover, according to Ms. Taylor, approval of the transfer will permit Trinsic to realize significant economic and marketing efficiencies which will enhance its ability to continue providing high quality, low-cost telecommunications services and to compete more effectively in the telecommunications market. The transfer of subscribers to Trinsic may provide the affected customers with additional service options that were not available to them as Sprint subscribers. Accordingly, Ms. Taylor states that the proposed acquisition will benefit consumers through improved services and lower rates, thereby promoting competition in the telecommunications market. The Joint Applicants intend to provide at least 30 days' advance subscriber notice of the transfer to Trinsic.

We have also received a letter from the Office of Regulatory Staff (ORS), which states that it has no objection to this Commission's approval of the Joint Application. ORS concluded that that the proposed transaction would be virtually transparent, and that consumers should receive the same or better services at rates no greater than the rates currently paid. In addition, ORS noted that consumers will receive notification of the transaction and will be given the opportunity to select another carrier if they wish to do so. ORS stated that it recognized that the underlying reason for the transaction is a change in Sprint's business plan, which is to concentrate its resources in the provision of long distance and wireless telecommunications services. ORS noted that it has supported Sprint's change of business plans in earlier filings with the Commission and has no objection to the approval of the Joint Application.

Our review of the Joint Application, the verified testimony of Ms. Taylor, and the reply of ORS convinces us that the Joint Application should be approved as filed. As ORS points out, the transfer will be transparent to the consumers, and they should receive the same or better services at rates no greater than the rates currently paid by those consumers. Further, consumers will be notified in advance of the change and will have the opportunity to remain with their present service or switch to another carrier. Accordingly, the transfer of the customer base is in the public interest, and is hereby approved as filed.


This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



Randy Mitchell, Chairman

ATTEST:



G. O'Neal Hamilton, Vice-Chairman

(SEAL)